

CENTRAL INTELLIGENCE AGENCY
Office of the Chief, Economic Research
Office of Research and Reports

Project Action Memorandum

Project No. 10.727
DATE: 19 May 55

TITLE: Economic Comparison Between NATO Countries and Sino-Soviet Bloc

REQUESTER: NATO

STATEMENT OF PROBLEM AND TERMS OF REFERENCE:

Problem: To compare the economic growth and potential of the two subject groups of countries through 1975.

- Terms of Reference:
1. This project will cover the Bloc portion of the total study as proposed by the NATO Advisory Council.
 2. Phase I (historical) to be coordinated with State and completed about mid-July. Phase II is due mid-August.
 3. Additional terms of Reference are as issued under FY56 Planning Project #31, 11 April 55.

RESPONSIBILITY:

	<u>Manhours</u>	<u>Due Dates</u>	<u>Concurrence (Initials)</u>
<u>Action Division</u> :	D/A	15 Aug 55	RVG
<u>Branches</u> :	A/C 200		
	A/E 300		
	A/F 250		
	A/U 500		
<u>Contributing Divisions</u> :	D/I	1 & 15 Jul 55	EHL
	I/TH 50		
	D/M		
	M/AG 75		
	D/S		
	S/PM 50		
	S/TF 200		
<u>Staff</u> :	25X1A93		
	St/FR		

Project Monitor: [REDACTED] ext 2803

This project will not delay completion of currently scheduled projects.

DOCUMENT NO. 1
NO CHANGE IN CLASS. ☐
☒ DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: _____ REVIEWER: 059485

APPROVED Rm Ch/E

~~SECRET~~

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Project 10.727

CORRIGENDUM

US DOC E-1, Eastern European Economic Developments, 1928-54, Part I, Gross National Product Analysis, August 12, 1955: SECRET.

Replace page 16 (Tables 8 and 9) in US DOC E-1 with the attached corrected sheet.

US DOC E-2, Eastern European Economic Developments, 1928-54, Part II, Population and Physical Production, August 16, 1955: SECRET.

Correct page 22 by rewording the text in footnote a/ as follows: "This is an alternative index of the value of agricultural output in terms of prewar prices and based largely on West German sources. The crop production estimates underlying this index as follows:"

NOTE: The output figures for grain, potatoes and sugar beets are correct as presented on page 22.

~~SECRET~~

Table 8

Gross National Product by Sector of Origin: East Germany

Billions of 1951 US Dollars								
	1938	1948	1949	1950	1951	1952	1953	1954
Industry <u>a/</u>	(1) 7.68 (2) 8.10	2.81 3.70	3.34 4.70	4.86 6.10	5.93 7.20	6.92 7.90	7.60 8.60	8.36 9.00
Agriculture <u>b/</u>	(1) 2.62 (2) 2.55	1.36 1.60	1.47 1.80	1.76 2.00	2.08 2.20	2.08 2.30	2.10 2.30	2.10 2.30
Transportation & Communication	0.94	0.54	0.67	0.69	0.80	0.88	1.00	1.06
Construction	1.02	0.49	0.52	0.60	0.69	0.76	0.84	0.89
Services and Trade	(1) 4.12 (2) 3.60	3.67 2.90	3.59 3.10	3.39 3.30	3.34 3.40	3.35 3.60	3.37 3.70	3.42 3.80
Total	(1) 16.10 (2) 16.20	8.95 9.30	9.54 10.80	11.33 12.70	12.67 14.40	14.02 15.40	14.91 16.40	15.80 17.00

- a. These alternative estimates are based on indexes B (1) and B (2), respectively, in Table 25, Part II, Population and Physical Production.
- b. These alternative estimates are based on B Indexes (1) and (2), respectively, in Table 18, Part II, Population and Physical Production.

Table 9

Gross National Product by Sector of Origin: East Germany
(Indexes)

1948=100								
	1938	1948	1949	1950	1951	1952	1953	1954
Industry <u>a/</u>	(1) 273 (2) 219	100 100	119 127	173 165	211 195	246 214	270 232	297 243
Agriculture <u>b/</u>	(1) 192 (2) 159	100 100	108 113	129 125	152 138	152 144	154 144	154 144
Transportation & Communication	174	100	124	128	148	163	185	196
Construction	209	100	107	124	141	155	172	183
Services and Trade	(1) 112 (2) 125	100 100	98 107	92 114	91 119	91 125	92 128	93 131
Total	(1) 180 (2) 174	100 100	107 116	127 137	142 155	157 166	167 176	177 183

- a. These alternative estimates are based on indexes B (1) and B (2), respectively, in Table 25, Part II, Population and Physical Production.
- b. These alternative estimates are based on B Indexes (1) and (2), respectively, in Table 18, Part II, Population and Physical Production.